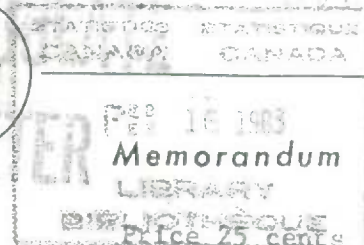


# DOMINION BUREAU OF STATISTICS

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## ADVERTISING EXPENDITURES IN CANADA, 1954 (Preliminary Report)

Advertising expenditure in Canada amounted to an estimated \$395,053,843 in 1954. This represents the advertising revenue of the various media and the internal costs of advertisers. The printing trades accounted for 65 per cent of the total expenditure with revenue from advertising totalling \$258,328,000. Radio and television's contribution amounted to \$40,306,316; agencies' commissions, \$23,229,612; and outdoor advertising, \$17,607,278. An estimated \$29,945,161 was spent internally by advertisers to complete that part of the total not obtained by the different media.

As already stated, the statistics on advertising presented here include the advertising revenue of the various media and the internal costs of the advertisers. It should be noted further, with reference to particular items which in some viewpoints may or may not be considered to be advertising proper, that these statistics:

- (a) do include expenditures on catalogues and window display (although provision has been made to show these separately in a final, detailed publication), and
- (b) do not include, by specific instruction to respondents, expenditures on sales promotions or similar plans involving samples and premiums, expenditures on any measurements of the effectiveness of advertising, market surveys or other research, fairs and exhibitions, package design, annual reports or house organs.

Table 1 - Estimated Advertising Expenditures in Canada  
1944 and 1954 Compared

Component	1944		1954	
	Amount	% of Total	Amount	% of Total
	\$		\$	
TOTAL, ALL COMPONENTS .....	104,925,535	100.0	395,053,843	100.0
Printing trades (see Table 2)....	74,646,329	71.1	258,328,000	65.4
Radio .....	11,486,952	10.9	31,710,690	8.0
Television .....	-	-	8,595,626	2.2
Outdoor advertising .....	4,144,601	3.9	17,607,278	4.4
Advertising agencies' commissions	5,949,499	5.7	23,229,612	5.9
Direct mail (postage) .....	3,000,500	2.9	11,155,000	2.8
Advertising departments of advertisers (internal costs) ..	4,049,200	3.9	29,945,161	7.6
Miscellaneous (1) .....	1,648,954	1.6	14,482,476	3.7

- (1) Includes imported advertising printed matter and stereotypes, etc., production of advertising films, advertising revenue from theatre screenings, estimates of commercial artists' and photographers' contribution to advertising, independent radio and T.V. programming, etc.

Prepared in Industry and Merchandising Division  
Merchandising and Services Section.

Table 2 - Printing and Publishing Trades, 1954  
Estimated Advertising Revenue

	Advertising Revenue
	\$
Periodicals:	
Newspapers - daily	118,030,000
Newspapers - National week-end	10,529,000
Newspapers - weekly, bi-weekly, tri-weekly	16,915,000
Controlled distribution weekly newspapers	917,000
Magazines of general circulation	13,098,000
Telephone and city directories	11,532,000
Trade-technical and scientific	15,220,000
Agricultural publications	5,454,000
All other publications	2,691,000
TOTAL PERIODICALS	194,386,000
Catalogues	15,503,000
All other printed books, chiefly for advertising	3,791,000
Circular letters	2,243,000
All other printed advertising matter	42,405,000
TOTAL CANADIAN PRINTING AND PUBLISHING	258,328,000

NOTE: In addition, advertising printed matter amounting to \$7,088,451 and stereotypes, electrotypes and celluloids for advertising purposes to the amount of \$161,546 were imported.

This survey was conducted on a plan similar to the only other Bureau study made ten years earlier. Special surveys were made of all radio and television stations for a breakdown of revenue by type of coverage -- local, network, or national. These figures include program costs where the stations attended to program production for the advertiser. Similarly, street-car and bus advertising companies were contacted as were certain other outdoor advertising and sign writing businesses. Major media already available from present D.B.S. surveys were the advertising revenue of the printing trades and a large share of the sign industry. These media figures were less agency commissions, which was obtained from the annual survey on advertising agencies. The postal charges on direct-mail advertising is an estimate obtained from the Post Office Department.

A very exhaustive study was made to obtain an estimate of the internal cost of advertisers, the one large segment of total advertising cost not available from media. Surveys were made of manufacturers, retail, wholesale and service trades, transportation and utilities, provincial and federal governments, insurance companies, loan companies, chartered banks, etc. For some of these advertisers, ratios of advertising expense and other detail will be shown in the final report to follow this preliminary statement in about two months.

